

Note for Reuter, Barbara

*** URGENT ***

From: Vasquez, Steve
Date: Fri, Feb 23, 1996 8:49 AM
Subject: OPB Wal-Mart
To: Reuter, Barbara

Asked Randy to give you a call so that the two of you could start on our little project. I had some thoughts on the plane the other day which summarizes my direction. Situation really is that OPB wre stable during '95 as far as the overall market is concerned. However in Wal-Mart and Sam's the story was not the same. The important issues center around:
-how can we grow OPB at the expense of the competition and the discount category as opposed to hurting Marlboro.
-at the end of the day what sorts of resources can be made available from brand and what is the cost/benefit to the brands.

From a process stand point I think we need to have knowledge of and analyze several things.....what the OPB brands strategies for '96-'97 and what can we provide them which will help them meet their objectives and goals. When all is said and done, they are paying the bills and we MUST meet their needs otherwise it's a pointless excercise. Look at the brand opportunities in the various geographies which the customer operates...should be simple to overlay brand sdi's against a store map. We need to make some projections of possible benefits for ALL consituent parties. BRAND= increased visibility in 2,500 stores, annual volume gain of x amount, etc. WAL-MART= fits with their strategy to engage in target marketing, can this be what puts them up the additioal 13 ctns. into the next RM volume buckets? etc.

Finally, come up with ideas on the right way to execute: how do we find a perm. home for added visibility on OPB? How do we create a flawless way to promote OPB in selected markets....do it right, do it fast!
How are we going to measure it? Brand has to feel good about their investment!
Let me know what you think....does this fit with your ideas?